



## DISCOVERY BUSINESS INSURANCE MOTOR EXCESS WAIVER

To give our clients flexibility on the excess payable on their Discovery Business Insurance vehicle cover, we allow them to waive their basic excess under this cover. This means the client will not pay a first amount or basic excess on incurred claims under the Motor section for own damage and/or theft and hijacking.

### Qualifying criteria

Clients need to meet the following criteria in order to qualify for the excess waiver benefit:

- They must only have cover under the Motor section.
- Their vehicles must be covered comprehensively.
- The client's three-year motor loss ratio must be 50% or less.
- The frequency or number of previous motor claims will be taken into consideration.
- The client must have a vehicle tracking device, if one is required.
- The client's vehicle premium will have a loading of 10% to 25% applied.
- This benefit is only available for private type vehicles and light delivery vehicles (LDVs) that weigh less than 3 500 kg

The underwriting team will also consider the following:

- Whether the client previously had similar cover with their existing insurer.
- Whether the vehicles that are the subject of the excess waiver request are on the Vitality Drive for Business programme.

Clients can choose which vehicles they select for the excess waiver benefit. However, to avoid an imbalance in our motor book, we prefer that if the excess waiver is selected then all vehicles on the plan are included for the benefit.

Requests for this benefit must be sent to Discovery Business Insurance's regional servicing channels. These requests will be reviewed on a case by case basis for quoting and approval.

### Options available

Clients can request to have their basic excess waived for the following types of claims only:

- Own damage claims
- Claims for theft and hijacking

### Exclusions

The following will not be covered under the excess waiver benefit:

- Windscreen claims.

- Dynamic excesses, in other words the additional and cumulative excesses targeted at specific loss drivers.
- Optional and automatic embedded clauses and extensions which attract a penalty excess, such as loss of keys as described in the Plan Guide.
- Multi-claimants.
- Drivers under 25 years old.
- Drivers who have held a driving licence for less than two years

### **Plan endorsement**

The client's plan will be endorsed if they qualify for the excess waiver benefit. The wording of the endorsement will depend on the type of excess waiver applicable to the client's plan. Below are two examples of endorsements that may be applied.

#### **Endorsement example 1: Applicable for the own damage motor claims excess waiver**

The basic excess as stated in the excess annexure is hereby cancelled provided that:

- This extension applies to the insured and their designated driver who is older than 25 years old and has held a driving licence for more than two years and is unendorsed;
- This extension will not apply to windscreen claims and if the loss or damage is because of theft or hijacking of the vehicle.

#### **Endorsement example 2: Applicable to specific vehicles**

It is hereby noted that the basic excess is waived for own damage, and theft and hijacking claims for the following vehicles:

- Vehicle 1 details
- Vehicle 2 details
- Vehicle 3 details